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7 February 1975

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MEMORANDUM FOR:



SUBJECT : KIQs and KEPs

1. As you are all well aware, we are still wrestling with the problem of devising an evaluation report which the NIOs can prepare after the end of a fiscal year, reviewing and auditing the Community's performance on each Key Intelligence Question. The problem is to devise an approach, hence a form, which will be manageable (in terms of the work required to pull it together) and will still give the DCI the kind of information and evaluation he needs to have a clear idea of how the Community has done, how efficiently its efforts have been orchestrated, how well its resources have been applied, and what changes (if any) in direction or resource allocation he ought to initiate, encourage or -- where he can do so -- direct in order to improve the Community's performance. As you all are also well aware, there is a dichotomy between the approach instinctively preferred by this office and that advocated by some components of the IC Staff, notably

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2. We have finally found a format embodying a general approach the Director considers promising: namely, a fourth try at a KEP on KIQ 17-B of the FY 1974 Pilot Program prepared by  a copy of which is attached. This model, which the DCI has endorsed, is nonetheless perhaps atypical in one critical respect: it reviews the Community's performance on a KIQ on which the Community, as a whole, performed rather well and on which there are no serious short-falls either in collection or in production which require

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attention and corrective action. Furthermore, the DCI is still not quite sure that this line of approach gives him the resource information -- hence, handle -- he wants and feels he needs. Also, this being the case, he remains susceptible to

25X1 [redacted]s contention that the full-bore systems analysis approach which [redacted] has advocated from the outset is what the DCI needs and, further, to the argument (which [redacted] has also consistently advanced) that this approach can be followed without generating an undue amount of work or putting undue strains on the Community or its member components. At a minimum, the DCI is intrigued with [redacted] matrix, the FY 75 version of which is also attached for your inspection.

25X1 3. It has not been easy to move toward a realistic resolution that meets the DCI's needs but at the same time takes cognizance of the realities of the amount of work involved in assembling various types of data and the actual utility of this data, once assembled. In part, progress in this field has been complicated by [redacted] penchant for seeing the DCI privately and making a presentation which has not been well staffed even within the IC mechanism, let alone with this office.

25X1 4. One reason why I kept [redacted] and [redacted] slogging at successive rewrites of a KEP for [redacted]s that I thought I had an understanding with the DCI that we would try to develop a KEP model he liked for one FY 74 KIQ, after which we would prepare three more illustrative examples (on three additional KIQs in different areas). He would then have a quartet of examples employing the verbal "fuzzy" approach which he could compare with the type of KEP developed through [redacted] techniques. With these two sets of parallel examples simultaneously before him, he could then decide which best met his needs and, further, whether the latter was worth the added marginal cost of effort entailed in its production.

25X1 5. Last Saturday, the above plan got partially derailed, again by [redacted] -- who somehow convinced the DCI that this would not be a valid comparison

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or a fair one with respect to the KEPs developed through the systems analysis type of statistical approach. The thesis here (which I do not regard as valid but which the DCI accepted) was that the preparers of the "fuzzy" KEPs had the advantage of the information assembled through the full-bore process; hence a comparison of the two results was not a fair test. Instead, Fuzzy KEPs should be prepared on FY 74 KIQs that were not part of the Pilot Program so that the NIOs preparing them would not have this unfair advantage. I argued -- with, I fear, minimal impact -- that this approach also had some built-in problems even more serious in nature. Though a full set of 31 KIQs had been developed for FY 74 to show everyone what a full set of KIQs might look like, in point of fact, only nine were actually worked on at all, these being the nine on which an IC Staff exercise had been done. Fuzzy KEPs would be almost impossible to prepare on any of the remaining 22 since there had been no interagency discussion of them in detail and any such model KEP would have to be sucked by an NIO out of his thumb.

6. General Wilson and I discussed this whole problem on 5 February. We agreed that it was essential that his colleagues and mine try to work together to develop a common proposal to lay before the DCI: a proposal which should be a single package even if it reflected certain unresolvable differences of opinion or recommended approach between our two offices. To that end, we agreed to caucus at 1500 on Monday, 10 February, on neutral ground (the DCI Conference Room).

7. The purpose of this memorandum is to recount the background cited above and to invite all five of this memorandum's addressees to attend that session with me. It would be particularly helpful if [redacted] could block out a KEP for one FY 74 Pilot Program KIQ in each of their respective areas (e.g., 1-D, 21 and 15-A) along the lines of [redacted] model, which the DCI has endorsed. General Wilson and I both hope that this kind of joint discussion between

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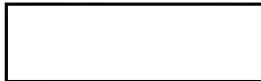
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ourselves can lead to a resolution of this problem and  
an end to the confusion that has been engendered  
by a series of unilateral approaches to the DCI.



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George A. Carver, Jr.  
Deputy for National Intelligence Officers

Attachments

cc: Acting Comptroller

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23 January 1975

MEMORANDUM FOR: The Director

SUBJECT : The Fuzzy KEP  
(Round 4)

25X1 [redacted] Per our 21 January conversation, [redacted] has re-worked his model fuzzy performance report, concentrating on the second half. Attached is the result of his labors. If we are still wide of your mark, please let me know. As I explained, once we get one model set as reflecting what you are looking for, I will then have three or four more done using it as a paradigm. We will then be in a position to see whether we have an art form likely to meet your needs and all other considerations.

[redacted]  
George A. Carver, Jr.

Deputy for National Intelligence Officers

Attachment

25X1 [redacted] Copy No. 1

Copy No. 2 - DDCI  
Copy No. 3 - D/DCI/IC  
Copy No. 4 - ICS/KEP Pilot [redacted]  
Copy No. 5 - D/NIO Chrono  
Copy No. 6 - NIO/SSEA  
Copy No. 7 - NIO/RI  
Copy No. 8 - ER [redacted]

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